

Saving

Dollars
& Making
Sense

The Iowa
Energy Bank

A Dollar Saved is a Dollar Earned.

All across Iowa, organizations like yours are realizing major bottom-line savings when they join the Energy Bank. The proof is in the numbers:

Checklist of Common Energy Efficiency Improvements*

- ◆ Fluorescent lamps
and ballast replacement
- ◆ Motor replacement
- ◆ Exit sign replacement
- ◆ Pipe insulation
- ◆ Sensors for water
faucets and lavatories
- ◆ Lighting controls
- ◆ Night setback
- ◆ Water heater blankets
- ◆ Low-flow shower
heads
- ◆ Low-volume toilets
- ◆ Biomass fuels
- ◆ Wind energy
- ◆ Ground-source heat
pumps
- ◆ Windows
- ◆ Insulation
- ◆ Doors

* Not all improvements
are financially feasible
for every facility.

Annual Savings from Energy Bank Improvements

Drake University – Des Moines....\$250,000

City of Waterloo.....\$185,000

Independence
Mental Health Institute.....\$100,000

Grinnell Regional Medical Center...\$75,000

Harlan Community
School District.....\$70,000

Coggan Municipal Light Plant.....\$50,000

Boone Community
School District.....\$40,000

Clarke College – Dubuque.....\$23,000

You also can enjoy incredible cost savings
when you join the Energy Bank.

It Just Makes Sense!

Welcome to the Iowa Energy Bank program, a common-sense approach to saving money through energy efficiency. Whether a school, local government, college or hospital, any organization can benefit from the financing assistance and expert advice available through the Energy Bank.

The Energy Bank is designed to help Iowa organizations decrease the amount of energy they consume — thus lowering energy costs — through building improvements.

Every Step of the Way

From an initial energy audit, to organizing affordable financing, to overseeing remodeling projects, our experts help manage the improvement process every step of the way.

Your Energy Bank team will customize solutions that meet the specific needs of your organization, with an assurance of high technical quality and the potential for attractive cost savings.

We invite you to learn more about the Energy Bank program, its financial impact, and its long-term benefits. If you wish to join, simply complete the form in the back of this brochure to start the process!

The Iowa Energy Bank. It will save you dollars, which just makes sense.

“The projects have reduced our consumption of natural gas and electricity, as well as improving the living environment for our many patients.

This program is a win-win situation.”

David Lyon,
Business Manager
Independence Mental
Health Institute

Saving Dollars through Smart Financing.

Establishing a financial package for efficiency improvements is the foundation for Energy Bank projects. Financing can be completely customized to your organization's budget, capital needs, funding sources and cash flow.

The Department of Natural Resources brings together financial consultants to help you negotiate the best rates and terms on a loan package.

So Many Choices...

...For Funding Resources.

Investments can come from your organization, a local or regional bank of your choice, or a financial institution recommended by the Energy Bank. The choice is yours.

...For Financial Arrangements.

The two options for financing your projects are a capital loan note or a lease-purchase agreement. Schools and local governments generally opt for a capital loan note, while hospitals, private colleges and nonprofit organizations are required to use a lease-purchase agreement.

In addition, other arrangements include incremental financing on new construction projects, which helps pay for the difference between higher efficiency- and average efficiency-equipment.

... For Repayment Plans.

Energy Bank improvements are so affordable because loan payments can come from an organization's operations budget. The money for improvements can be "borrowed" and then "repaid" from the operations budget, allowing savings to go back to the general fund to be disbursed in other ways.

For every \$1 million investment in energy efficiency, \$167,000 is saved in energy costs *annually*. In six years, that initial investment is repaid and those dollars can then go to books, equipment and other resources.

A Common Sense Approach to Joining.

Enrolling in the Energy Bank is easy! The agreement at the end of this brochure will get you started. Once you join, there are four key steps to achieving energy efficiency.

1. *Determine Current Energy Use and Potential Savings.*

Based on your organization's size and facilities, we will work with building experts to conduct an energy study, assessing current energy consumption and necessary improvements. Three types of studies are available:

- Building Energy Survey – for buildings with simple, residential-type systems
- Energy Audit – for facilities with lower energy consumption or less complex commercial systems
- Engineering Analysis – for larger energy users with complex facilities

2. *Create a Financing Package.*

The next step is to develop a cost-effective financing program for your institution. You can choose a local bank, or one of our resources. Whatever your choice, our Energy Bank team will ensure the process works in *your* best interest.

3. *Make Improvements.*

Now that financing is secured, building improvements can be implemented. We will help you hire contractors, choose the most appropriate installations, oversee remodeling projects, and even test equipment to ensure it is in proper working order.

4. *Track Savings.*

Finally it's time to track cost savings. The Energy Bank provides two services – energy accounting and facility monitoring – to ensure that energy savings are achieved and equipment is maintained as planned.

“We received good technical assistance up-front; and the energy audit identified specific things to do to save energy.”

- Dr. Roy Baker,
Superintendent
Harlan Schools

One Dollar at a Time.

Does your facility need to make energy efficient improvements? In this exercise, you can determine how much energy your building consumes, and find out how it compares.

Calculate Your Energy Use Index:

1. Review your utility bill for *one year* (your utility company should be able to provide this information) and add up the total kilowatts (kWh) used. (kWh is sometimes labeled as “usage” on utility bills).
2. Multiple this number by 3412.
3. Add up the total therms of natural gas used for the same year. (Some utility bills will call therms “ccf.”)
4. Multiply this number by 100,000.
5. Add the results of Step 2 and Step 4.
6. Divide the result of Step 5 by the square footage of your building. This is how much energy your facility consumes.

Compare Your Energy Use Index to an Iowa organization similar to yours:

Average Iowa elementary school EUI:	60,000 Btus
<i>Energy efficient</i> elementary school:	40,000 - 45,000
Average Iowa high school EUI:	75,000
<i>Energy efficient</i> high school:	40,000 - 60,000
Average Iowa hospital EUI:	160,000
<i>Energy efficient</i> hospital:	100,000 - 140,000
Average Iowa courthouse EUI:	80,000
<i>Energy efficient</i> courthouse:	40,000 - 60,000
Average Iowa private college building:	90,000
<i>Energy efficient</i> private college building:	40,000 - 60,000

We'll Help You Make Sense of It All.

Common Questions and Answers

Q What is an energy audit?

A It is a study of a facility's utility bills, energy use, cost data, occupancy rates, equipment, and operational procedures. Auditors interpret this data to determine if energy management improvements will save money.

Q What is an engineering analysis?

A It is a more detailed study of the building's exterior, heating, ventilation and air conditioning equipment, and other systems. The analysis provides cost estimates and financial projections for how much will be saved annually. It also provides an estimated payback period.

Q What is a lifecycle cost analysis?

A This is a method of analyzing the cost of equipment over its lifetime, taking into account maintenance, energy costs, etc. It helps a client to see more than the first-time cost of equipment.

Q What is a typical payback period for return on improvements?

A Generally, Energy Bank improvements pay back in six years or less. In this way, savings are realized in a relatively short time period. However, some clients choose longer-term payback items.

Q How will the program affect cash flow?

A Cash flow can improve. Lenders can build payment schedules based on energy cost reductions so that annual savings increase. However, participants may also choose higher annual payments to pay off their financing agreements earlier. The trade-off is lower interest payments versus a less advantageous cash flow.

Q How long does it typically take from the time I join until improvements are completed?

A In general, proceeding at a comfortable pace, a client can proceed from a signed agreement to completion of the project in a year or less.

Now that you know about the benefits available through the Energy Bank, it's time to take the next step! For additional information, contact the Department of Natural Resources at (515) 281-8681.

Energy Bank Agreement

If you are ready to begin the process,
complete this preliminary agreement.

Thank you for your interest in the Energy
Bank. We can help you save dollars through
a program that makes a lot of sense.

- ☐ Yes! I would like to begin the process of
making Energy Bank improvements.
- ☐ Please have an Energy Bank consultant
contact me to provide more information
about the program's benefits, and how
to join.

Name _____

Title _____

Organization _____

Street Address _____

City, State, Zip _____

Telephone Number _____

Fax Number _____

E-mail Address _____

Signature _____

Date _____

Send to the Department of Natural Resources,
Energy Bureau, on the address listed on the
back, or fax, care of the Energy Bureau, to
(515) 281-6794.

The Iowa
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We invite you
to learn how.

The Iowa *Energy* Bank

Department of Natural Resources
Wallace State Office Building
Des Moines, Iowa 50319-0034

